



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-428-840]

Lightweight Thermal Paper from Germany: Notice of Preliminary Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on lightweight thermal paper from Germany. For the period November 1, 2009, through October 31, 2010, we have preliminarily determined that Papierfabrik August Koehler AG made sales of subject merchandise at less than normal value (NV).

If these preliminary results are adopted in the final results of this administrative review, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on all appropriate entries of subject merchandise during the period of review (POR). See “Preliminary Results of Review” section of this notice. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: [Insert date of publication in the Federal Register.]

FOR FURTHER INFORMATION CONTACT: Stephanie Moore or George McMahon, AD/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3692 or (202) 482-1167, respectively.

SUPPLEMENTARY INFORMATION:

Background

On November 1, 2010, the Department issued a notice of opportunity to request an administrative review of this order for the period of review (POR) of November 1, 2009, through October 31, 2010. See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review, 75 FR 67079 (November 1, 2010).

On November 30, 2009, we received a timely request from Appleton Papers, Inc. (petitioner) for the Department to conduct an administrative review of Mitsubishi HiTec Paper Flensburg GmbH, Mitsubishi HiTec Paper Bielefeld GmbH and Mitsubishi International Corporation (collectively, Mitsubishi), and Papierfabrik August Koehler AG (Koehler). We also received a request from Koehler for the Department to conduct an administrative review of Koehler.

On December 28, 2010, the Department published the notice of initiation of this antidumping duty administrative review covering the period November 1, 2009, through October 31, 2010, naming Mitsubishi and Koehler as respondents. See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part, 75 FR 81565 (December 28, 2010) (Initiation Notice).

On January 3, 2011, the Department issued initial questionnaires covering sections A, B, C, and E to Mitsubishi and Koehler with a due date of February 9, 2011. On January 25, 2011, petitioner requested that the Department determine whether antidumping duties have been

absorbed by Koehler and Mitsubishi. After granting extensions to Mitsubishi and Koehler, Koehler submitted its section A response to the initial questionnaire on February 23, 2011, and sections B and C on March 2, 2011. On March 11, 2011, Mitsubishi submitted its sections A through C response to the initial questionnaire.

On March 23, 2011, petitioner submitted deficiency comments concerning Koehler's initial questionnaire responses. On March 28, 2011, petitioner, the sole party that requested a review of Mitsubishi, timely withdrew its request for a review of Mitsubishi. Accordingly, the Department rescinded the administrative review with respect to Mitsubishi. See Lightweight Thermal Paper from Germany: Notice of Partial Rescission of Antidumping Duty Administrative Review, 76 FR 20951 (April 14, 2011) (Partial Rescission).

On July 16, 2010, the Department published a notice extending the time period for issuing the preliminary results of the administrative review from August 2, 2011, to November 30, 2011. See Lightweight Thermal Paper from Germany: Extension of Time Limits for the Preliminary Results of Antidumping Duty Administrative Review, 76 FR 40689 (July 11, 2011).

The Department issued supplemental questionnaires to Koehler on May 9, 2011, July 22, 2011, October 17, 2011, and on October 28, 2011. Koehler submitted responses on June 6, 2011, August 18, 2011, October 25, 2011, and on November 14, 2011, respectively.

On July 7, 2011, petitioner submitted pre-preliminary comments stating that the Department should disregard Koehler's home market monthly rebates on sales of certain products. On August 30, 2010, petitioner submitted a rebuttal of factual information contained in Koehler's August 17, 2011, supplemental questionnaire response. On August 31, 2011, petitioner submitted comments on Koehler's August 18, 2011, supplemental questionnaire

response. On November 15, 2011, petitioner submitted supplemental pre-preliminary comments stating that the Department should disregard Koehler's monthly rebates. On November 18, 2011, Koehler submitted pre-preliminary comments stating that the Department should accept Koehler's reported home market rebates, including its monthly rebates.

Period of Review

The POR is November 1, 2009, through October 31, 2010.

Scope of the Order

The scope of this order includes certain lightweight thermal paper, which is thermal paper with a basis weight of 70 grams per square meter (g/m^2) (with a tolerance of $\pm 4.0 \text{ g/m}^2$) or less; irrespective of dimensions;¹ with or without a base coat² on one or both sides; with thermal active coating(s)³ on one or both sides that is a mixture of the dye and the developer that react and form an image when heat is applied; with or without a top coat;⁴ and without an adhesive backing. Certain lightweight thermal paper is typically (but not exclusively) used in point-of-sale applications such as ATM receipts, credit card receipts, gas pump receipts, and retail store receipts. The merchandise subject to this order may be classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 3703.10.60, 4811.59.20,

¹ LWTP is typically produced in jumbo rolls that are slit to the specifications of the converting equipment and then converted into finished slit rolls. Both jumbo and converted rolls (as well as LWTP in any other form, presentation, or dimension) are covered by the scope of these orders.

² A base coat, when applied, is typically made of clay and/or latex and like materials and is intended to cover the rough surface of the paper substrate and to provide insulating value.

³ A thermal active coating is typically made of sensitizer, dye, and co-reactant.

⁴ A top coat, when applied, is typically made of polyvinyl acetone, polyvinyl alcohol, and/or like materials and is intended to provide environmental protection, an improved surface for press printing, and/or wear protection for the thermal print head.

4811.90.8040, 4811.90.9090, 4820.10.20, and 4823.40.00.⁵ Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Product Comparisons

In accordance with section 771(16) of the Tariff Act of 1930, as amended (the Act), all products produced by Koehler covered by the description in the “Scope of the Order” section above and sold in Germany during the POR are considered to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. We have relied on 12 criteria to match U.S. sales of subject merchandise to comparison market sales of the foreign like product: (1) form, (2) thermal active coating, (3) top coating, (4) basis weight, (5) maximum optical density units, (6) static sensitivity, (7) dynamic sensitivity, (8) color coating, (9) printing, (10) width, (11) length, and (12) core material. Where there were no sales of identical merchandise in the home market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to the next most similar foreign like product on the basis of the characteristics listed above.

Comparisons to Normal Value

To determine whether sales of LWTP from Germany were made in the United States at less than NV, we compared the export price (EP) or constructed export price (CEP) to the NV, as described in the Export Price and Constructed Export Price and Normal Value sections of

⁵ HTSUS subheading 4811.90.8000 was a classification used for LWTP until January 1, 2007. Effective that date, subheading 4811.90.8000 was replaced with 4811.90.8020 (for gift wrap, a non-subject product) and 4811.90.8040 (for “other” including LWTP). HTSUS subheading 4811.90.9000 was a classification for LWTP until July 1, 2005. Effective that date, subheading 4811.90.9000 was replaced with 4811.90.9010 (for tissue paper, a non-subject product) and 4811.90.9090 (for “other,” including LWTP).

this notice. In accordance with section 777A(d)(2) of the Act, we calculated monthly weighted-average prices for NV and compared these to individual U.S. transaction prices.

Rebates

Koehler reports a number of customer-specific rebates, which could apply to all products or be product-specific depending on the customer. Rebates are granted and paid out on a periodic basis (monthly, quarterly, or annually). Koehler states that there were no written rebate agreements covering sales of the subject merchandise during the POR. As in the prior review, Koehler claims that there were initially written agreements with customers in 2002/2003, but the rebate practices became routine enough that the parties did not bother with formalized written rebate agreements since that time. Koehler states that the rebate percentage is simply specified on the relevant customer-specific price lists or in e-mails with the customer.

On March 23, 2011, petitioner alleged that the margin in the instant review, as in the first review, is affected by Koehler's granting of monthly rebates (i.e., monatsbonus) in the home market. Petitioner also alleged that these monthly rebates are post-sale price adjustments used by Koehler as a mechanism by which to artificially eliminate its dumping margin.⁶ Further, petitioner incorporated by reference, in the instant review, its case brief submitted in the prior administrative review. Id.

In the Final Results⁷ of the prior review, the Department disallowed the monthly rebates because the data on the record showed that there were significant adjustments to the rebate percentages which were retroactively applied by Koehler without sufficient documentation to

⁶ See March 23, 2011, submission from petitioner at 5, and Attachment 1.

⁷ See Lightweight Thermal Paper From Germany: Notice of Final Results of the First Antidumping Duty Administrative Review, 76 FR 22078 (April 20, 2011) (Final Results), and accompanying Issues and Decision Memorandum (LWTP Decision Memo) at Comment 3.

support a finding that the customer was aware of such changes prior to the sales. Furthermore, we found that in certain instances, neither an “approximate” nor a “precise” rebate percentage was known to Koehler’s customer prior to the time that it made the home market sales in question. Thus, because the record did not indicate that Koehler’s customers were aware of the monatsbonus (monthly) rebate terms and conditions prior to the sales, and because of the significant volatility associated with the percentage changes of the monatsbonus program, the Department concluded that the monatsbonus program was not a legitimate rebate that should be treated as a price adjustment. See LWTP Decision Memo, at Comment 3.

However, the Department allowed Koehler’s quarterly and annual rebates. The Department stated that, the written rebate documentation for 2002/03 provided by Koehler was not relevant to the monatsbonus; instead, it pertained to rebates that were based on a longer periods of time (e.g., quarterly and annual periods). The Department found that, although Koehler referenced relatively minor changes that occurred with respect to the quartalsbonus (quarterly rebate) over a quarterly period, the degree of such a change was relatively insignificant compared to those reported by Koehler for the monatsbonus over a monthly period. Further, in contrast to the monatsbonus, the quartalsbonus percentage applied had been stable and there was no evidence that it was retroactively applied on a routine basis. Therefore, the Department determined that there was a clear distinction between the monatsbonus and the quartalsbonus program. Moreover, the Department determined that a customer could reasonably rely on the fact that it would receive a specific quartalsbonus percentage rebate at the time that it made its respective purchases. See Id.

In the instant review, Koehler has created a flag field (REB1AFLAG) in its home market sales database for each KT 48 F20 (product code that appears on the invoice to the customer)

transaction. Koehler asserts that based on e-mail communications and credit notes, it can show whether the customer who received monthly rebates was aware of the rebate terms at the time of sale. Specifically, Koehler coded an “N” for sales where it claims it has no documentation to prove that the customer was aware of the rebate terms prior to sale and, thus, the customer may not have known of the precise rebate percentage prior to the sales. Koehler coded a “Y” for transactions where it claims there is documentation regarding knowledge of the rebate terms by the customer prior to sale, and thus, the customer must have known of the rebate percentage prior to the sale. See supplemental questionnaire response dated June 6, 2011, at 18. See also fourth supplemental questionnaire response dated November 11, 2011, at 5.

The Department preliminarily finds that it is inappropriate to examine this rebate program on a transaction-specific basis, given the fact pattern. Instead, as in the prior review, we evaluate the monatsbonus rebate program as a whole to determine whether customers under this program knew of the terms of the rebate and rebate percentage prior to the sale. See LWTP Decision Memo at Comment 3; see also Certain Hot-Rolled Carbon Steel Flat Products from India: Notice of Final Results of Antidumping Duty Administrative Review, 73 FR 31961 (June 5, 2008), and accompanying Issues and Decision Memorandum at Comment 27 (analyzing rebates as a program). In this review, record evidence shows that the monatsbonus rebate program is unique because it is only offered to certain customers, it is applied retroactively to sales, and Koehler randomly changes the monthly rebate percentages.

Next, we preliminarily find that the documents that Koehler claims are the basis for its flagging methodology do not indicate that the customers were knowledgeable of the final rebate amount prior to the sale date. Koehler states that with respect to the change in rebate percentage for the monthly rebate for KT 48 F20 beginning in April 2010, it has been unable to locate any

documentation or communication confirming the change of the rebate percentage with the customer, and therefore does not know whether the customer received written notification prior to commencement of the applicable rebate period. However, according to Koehler, it is able to identify the latest possible date on which the customer could have known of the changed rebate percentage, and thus, Koehler used this date in its flagging methodology. Id., at 18. Due to the proprietary nature of this issue, please refer to the preliminary results calculation memo. See Calculation Memorandum for the Preliminary Results – Koehler for further discussion, dated November 30, 2011 (Preliminary Results Calculation Memo – Koehler).

We preliminarily find that Koehler’s flagging methodology does not provide proof that, prior to the sale, the customer knew the rebate percentage or the amount of the rebate. As a hypothetical example, if Koehler approved a monthly rebate of 18 percent on August 31, 2010, and retroactively applied it to all KT 48F20 sales in August, a customer might assume or guess that the 18 percent rebate will also be applicable to purchases made after August 31, 2010. However, the customer cannot know with certainty that the 18 percent rebate will be applicable to its purchases in September 2010, because Koehler may change the rebate to 12 percent on September 30, 2010, and retroactively apply a 12 percent rebate to September sales. Thus, we preliminarily find that Koehler created its flag methodology with information that was subject to change, and not always contemporaneous with the sales. Further, the customer has no knowledge of the amount of the “monatsbonus” monthly rebate or the terms and conditions at the time of purchase. Therefore, because of the inconsistent and retroactive application of the monthly rebates, the Department preliminarily continues to find in the instant review, as in the prior review, that the monatsbonus program is not a legitimate rebate program that should be treated as a price adjustment.

Also, consistent with the Department's findings in the Final Results, we continue to find that the quarterly and annual rebates are allowable adjustments because there is a clear, long-standing consistent practice compared to those reported by Koehler for the monatbonus over a monthly period. Further, in contrast to the monatsbonus, the quartalsbonus percentage applied has been relatively stable and there is no evidence that it is retroactively applied on a routine basis. Therefore, we continue to find that a customer can reasonably rely on the fact that it will receive the specific quartalsbonus percentage rebate at the time that it makes its respective purchases.

Export Price and Constructed Export Price

For the price to the United States, we used, as appropriate, EP or CEP, in accordance with sections 772(a) and (b) of the Act. Pursuant to section 772(a) of the Act, we used the EP methodology when the merchandise was first sold by the producer or exporter outside the United States directly to the unaffiliated purchaser in the United States prior to importation and when CEP was not otherwise warranted based on the facts on the record. We calculated CEP for those sales where a person in the United States, affiliated with the foreign exporter or acting for the account of the exporter, made the first sale to the unaffiliated purchaser in the United States of the subject merchandise. See section 772(b) of the Act. We based EP and CEP on the packed prices charged to the first unaffiliated customer in the United States and the applicable terms of sale. When appropriate, we adjusted prices to reflect billing adjustments, rebates, and early payment discounts, and commissions.

In accordance with section 772(c)(2) of the Act, we made deductions, where appropriate, for movement expenses including U.S. warehouse expense, inland freight, inland insurance,

brokerage & handling, international freight, marine insurance, freight rebate revenue, and U.S. customs duties.

For CEP, in accordance with section 772(d)(1) of the Act, when appropriate, we deducted from the starting price those selling expenses that were incurred in selling the subject merchandise in the United States, including direct selling expenses (cost of credit, warranty, and other direct selling expenses). These expenses also include certain indirect selling expenses incurred by affiliated U.S. distributors. See Preliminary Results Calculations Memo - Koehler. CEP Profit Calculation

The Department's initial questionnaire dated January 3, 2011, directed Koehler to report the actual variable unit cost of manufacturing (VCOM) including materials, labor and overhead, and the total unit cost of manufacturing (TCOM), including materials, labor and variable and fixed overhead, if Koehler was not submitting the full cost of production in response to section D of the Department's questionnaire. The Department's initial questionnaire also states, for fields 55 (VCOMU) and 56 (TCOMU), "{i}f for each product you sold during the POR in the United States, you sold the identical product in the foreign market, it is not necessary to supply this information. However, if you elect not to supply this information and the Department later determines that a U.S. sale should be compared to a sale of a similar product in the foreign market, the Department may have to resort to the facts available. Refer to difference in merchandise adjustments in the Glossary of Terms at Appendix I." See Section C of the Department's questionnaire at pages C-38 and C-39.

The petitioner did not submit a sales below the cost of production (COP) allegation with respect to Koehler and the Department did not issue Koehler a section D questionnaire to require the reporting of Koehler's COP. With respect to its sales, Koehler stated that because it "sold

identical merchandise in the foreign product for each product sold during the POR in the United States, Koehler is not providing VCOM or TCOM information.” See section C questionnaire response dated March 2, 2011, at C-50 and C-51. Although Koehler was not required to provide COP data if all of its U.S. sales matched to sales of identical merchandise in the home market, COP data is necessary for the Department to calculate a CEP profit for CEP sales. Therefore, because the necessary COP information is not on the record of the current review, in accordance with sections 772(f)(1) and (2)(C)(iii) of the Act, we calculated the CEP profit percentage using information from Koehler AG’s 2010 audited financial statements. We deducted from CEP an amount for profit in accordance with section 772(d)(3) and (f) of the Act. See Preliminary Results Calculation Memo – Koehler.

Normal Value

A. Selection of Comparison Market

To determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared Koehler’s volume of home market sales of the foreign like product to the volume of its U.S. sales of the subject merchandise. Pursuant to section 773(a)(1)(B)(i) of the Act, because Koehler had an aggregate volume of home market sales of the foreign like product that was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we determined that the home market was viable.

B. Arm’s-Length Test

Because Koehler reported that its sales of the foreign like product were made to unaffiliated customers, the arm’s-length test is not applicable.

C. Calculation of Normal Value Based on Comparison Market Prices

We based home market prices on packed prices to unaffiliated purchasers in Germany. The Department excluded certain sales transactions reported as samples by Koehler. We adjusted the starting price for billing adjustments, early payment discounts, rebates, warehouse expenses, and inland freight where appropriate, pursuant to section 773(a)(6) of the Act. In addition, for comparisons made to EP sales, we made adjustments for differences in circumstances of sale (COS) pursuant to section 773(a)(6)(C)(iii) of the Act. We made COS adjustments by deducting direct selling expenses incurred for home market sales (credit expense, warranty directly linked to sales transactions, royalties, and other direct selling expenses) and adding U.S. direct selling expenses (credit, commissions, warranty directly linked to sales transactions, and other direct selling expenses), where appropriate. See 19 CFR 351.410.

When comparing U.S. sales with comparison market sales of similar, but not identical, merchandise, we also made adjustments for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. We based this adjustment on the difference in the VCOM for the foreign like product and subject merchandise, using weighted-average costs. See 19 CFR 351.411(b).

D. Level of Trade

In accordance with section 773(a)(1)(B)(i) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (LOT) as the EP or CEP sales. In identifying LOTs for EP and comparison market sales (i.e., NV based on home market), we consider the starting prices before any adjustments. For CEP sales, we consider only the selling activities reflected in the price after the deduction of expenses and

profit under section 772(d) of the Act. See Micron Technology, Inc. v. United States, 243 F.3d 1301, 1314 (Fed. Cir. 2001).

Consistent with 19 CFR 351.412, to determine whether comparison market sales were at a different LOT than EP or CEP transactions, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison market sales are at a different LOT and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison market sales at the LOT of the export transaction, we make an LOT adjustment under section 773(a)(7)(A) of the Act. For CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we will grant a CEP offset, as provided in section 773(a)(7)(B) of the Act.⁸

Koehler reported its sales in the home market and the U.S. market at the same single LOT. In the home market, Koehler reported that its sales were made through two channels of distribution: (1) direct sales and (2) consignment sales. In the U.S. market, Koehler reported that its sales were made through three channels of distribution: (1) market direct-shipment sales through its U.S. affiliated distributor, Koehler America, Inc. (i.e., CEP sales), (2) warehouse sales made through Koehler America, Inc. (i.e., CEP sales), (3) and direct sales from Koehler AG to the customer (i.e., EP sales).

Based on our analysis, we find that Koehler's sales to the U.S. and home market were made at the same LOT, and as a result, no LOT adjustment is warranted. Furthermore, our

⁸ See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa, 62 FR 61731, 61732-33 (November 19, 1997).

analysis shows that Koehler's home market sales were not made at a more advanced LOT than Koehler's U.S. sales. Accordingly, we have not made a CEP offset to NV. See 773(a)(7)(B) of the Act.

For a detailed description of our LOT methodology and a summary of company-specific LOT findings for these preliminary results, see our analysis contained in the Preliminary Results Calculation Memo - Koehler.

Duty Absorption

On January 25, 2011, petitioner requested that the Department determine whether antidumping duties have been absorbed by Koehler and Mitsubishi. Koehler has reported that it served as the importer of record for all of its U.S. sales during the POR. See second supplemental questionnaire response dated August 17, 2011, at 3. Because the subject merchandise was not sold through an importer who is affiliated with the foreign producer/exporter, we are not examining duty absorption. See section 751(a)(4) of the Act and Agro Dutch Industries, Ltd. v. United States, 508 F.3d 1024 (Fed. Cir. 2007).

On April 14, 2011, the Department rescinded the review of Mitsubishi. See Partial Rescission. Due to the partial rescission of the review of Mitsubishi, we are not examining duty absorption with respect to Mitsubishi.

Currency Conversion

We made currency conversions into U.S. dollars in accordance with section 773A(a) of the Act, based on the official exchange rates published by the Federal Reserve Bank.

Preliminary Results of Review

As a result of our review, we preliminarily determine that the following weighted-average percentage margin exists for the period November 1, 2009, through October 31, 2010.

Manufacturer/Exporter	Weighted-Average Margin (percent)
Papierfabrik August Koehler AG	3.16

Public Comment

The Department will disclose calculations performed within five days of the date of publication of this notice to the parties to this proceeding in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review. See 19 CFR 351.309(c)(1)(ii). Rebuttal briefs are limited to issues raised in the case briefs and may be filed no later than five days after the time limit for filing the case briefs. See 19 CFR 351.309(d). Parties submitting arguments in this proceeding are requested to submit with the argument: (1) a statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities, in accordance with 19 CFR 351.309(d)(2). Case and rebuttal briefs must be served on interested parties in accordance with 19 CFR 351.303(f).

An interested party may request a hearing within 30 days of publication of these preliminary results. See 19 CFR 351.310(c). Any hearing, if requested, ordinarily will be held two days after the due date of the rebuttal briefs in accordance with 19 CFR 351.310(d)(1). The Department will issue the final results of this administrative review, which will include the

results of its analysis of issues raised in any such comments, or at a hearing, if requested, within 120 days of publication of these preliminary results, unless extended. See section 751(a)(3)(A) of the Act, and 19 CFR 351.213(h).

Assessment Rate

Upon completion of the final results of this administrative review, the Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries. Pursuant to 19 CFR 351.212(b)(1), the Department will calculate importer-specific assessment rates for each respondent based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of those sales. Where the respondent did not report the entered value for U.S. sales, we have calculated importer-specific assessment rates for the merchandise in question by aggregating the dumping margins calculated for all U.S. sales to each importer and dividing this amount by the total quantity of those sales. To determine whether the duty assessment rates were de minimis, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), we calculated importer-specific ad valorem rates based on the estimated entered value. Where the assessment rate is above de minimis, we will instruct CBP to assess duties on all entries of subject merchandise by that importer. Pursuant to 19 CFR 351.106(c)(2), we will instruct CBP to liquidate without regard to antidumping duties any entries for which the assessment rate is de minimis (i.e., less than 0.50 percent). The Department intends to issue assessment instructions directly to CBP 15 days after publication of the final results of this review.

The Department clarified its “automatic assessment” regulation on May 6, 2003. See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003). This clarification will apply to entries of subject merchandise during the

POR produced by the respondent subject to this review for which the reviewed company did not know that the merchandise which it sold to an intermediary (e.g. a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediary involved in the transaction. For a full discussion of this clarification, see id.

Cash Deposit Requirements

To calculate the cash deposit rate for Koehler, we divided its total dumping margin by the total net value of its sales during the review period. The following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of lightweight thermal paper from Germany entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for companies subject to this review will be the rate established in the final results of this review, except if the rate is less than 0.5 percent and, therefore, de minimis, no cash deposit will be required; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent final results for a review in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent final results for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this review, the cash deposit rate will be 6.50 percent, the all-others rate established in the LTFV investigation. See Antidumping Duty Orders: Lightweight Thermal Paper from Germany and the People's Republic of China, 73 FR 70959 (November 24,

2008). These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Paul Piquado
Assistant Secretary
for Import Administration

____ November 30, 2011 ____
(Date)

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